

General Assembly

## Raised Bill No. 5446

February Session, 2016

LCO No. 1795



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by: (INS)

## AN ACT REQUIRING CERTAIN LIQUOR PERMITTEES TO PROCURE AND MAINTAIN LIQUOR LIABILITY INSURANCE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 30-39 of the general statutes is repealed and the
- 2 following is substituted in lieu thereof (Effective October 1, 2016, and
- 3 applicable to applications for a liquor permit or a renewal of such a permit
- 4 submitted on or after said date):
- 5 (a) For the purposes of this section, the "filing date" of an application
- 6 means the date upon which the department, after approving the
- 7 application for processing, mails or otherwise delivers to the applicant
- 8 a placard containing such date.
- 9 (b) (1) (A) Any person desiring a liquor permit or a renewal of such
- 10 a permit shall [make] submit a sworn application [therefor] to the
- 11 Department of Consumer Protection upon forms to be furnished by the
- department, showing the name and address of the applicant and of the
- applicant's backer, if any, the location of the club or place of business
- 14 [which] that is to be operated under such permit and a financial

LCO No. 1795 **1** of 7

15 statement setting forth all elements and details of any business 16 transactions connected with the application. Such application shall 17 include a detailed description of the type of live entertainment that is 18 to be provided. A club or place of business shall be exempt from 19 providing such detailed description if the club or place of business 20 [(A)] (i) was issued a liquor permit prior to October 1, 1993, and [(B)] 21 (ii) has not altered the type of entertainment provided. The application 22 shall also indicate any crimes of which the applicant or the applicant's

backer [may] have been convicted.

23

24

25

26

27

28

29

30

31

32

33

34

- (B) Applicants shall submit (i) documents sufficient to establish that state and local building, fire and zoning requirements and local ordinances concerning hours and days of sale will be met, except that local building and zoning requirements and local ordinances concerning hours and days of sale shall not apply to any class of airport permit. The State Fire Marshal or the marshal's certified designee shall be responsible for approving compliance with the State Fire Code at Bradley International Airport; and (ii) for applications for restaurant permits, cafe permits or tavern permits, a certificate of insurance for the coverage required under subparagraph (D) of this subdivision.
- 35 (C) Any person desiring a permit provided for in section 30-33b 36 shall file a copy of such person's license with such application if such 37 license was issued by the Department of Consumer Protection.
- 38 (D) Any person desiring or renewing a restaurant permit, cafe 39 permit or tavern permit shall procure and maintain insurance coverage 40 for liquor liability of not less than the amount for damages specified 41 under section 30-102.
- 42 <u>(E)</u> The department may [, at its discretion,] conduct an investigation to determine whether a permit shall be issued to an applicant.
- 45 (2) The applicant shall pay to the department a nonrefundable

LCO No. 1795 **2** of 7

application fee, which fee shall be in addition to the fees prescribed in this chapter for the permit sought. An application fee shall not be charged for an application to renew a permit. The application fee shall be [in the amount of] ten dollars for the filing of each application for a permit by a charitable organization, including a nonprofit public television corporation, a nonprofit golf tournament permit, a temporary permit or a special club permit; and for all other permits, [in the amount of] one hundred dollars for the filing of an initial application. Any permit issued shall be valid only for the purposes and activities described in the application.

(3) (A) The applicant, immediately after filing an application, shall give notice thereof, with the name and residence of the permittee, the type of permit applied for and the location of the place of business for which such permit is to be issued and the type of live entertainment to be provided, [all] in a form prescribed by the department, by publishing the same in a newspaper having a circulation in the town in which the place of business to be operated under such permit is to be located, at least once a week for two successive weeks, the first publication to be not more than seven days after the filing date of the application and the last publication not more than fourteen days after the filing date of the application.

(B) The applicant shall affix, and maintain in a legible condition upon the outer door of the building wherein such place of business is to be located and clearly visible from the public highway, the placard provided by the department, not later than the day following the receipt of the placard by the applicant. If such outer door of such premises is so far from the public highway that such placard is not clearly visible as provided, the department shall direct a suitable method to notify the public of such application. When an application is filed for any type of permit for a building that has not been constructed, such applicant shall erect and maintain in a legible condition a sign not less than six feet by four feet upon the site where such place of business is to be located, instead of such placard upon

LCO No. 1795 3 of 7

the outer door of the building. The sign shall set forth the type of permit applied for and the name of the proposed permittee, shall be clearly visible from the public highway and shall be so erected not later than the day following the receipt of the placard.

83

84

85

86 87

88

89

90

91 92

93

94

95

96

97

98

99

100

101

102

103

104

105

106

107

108

109

110

111

(C) Such applicant shall make a return to the department, under oath, of compliance with the [foregoing] requirements under subparagraphs (A) and (B) of this subdivision, in such form as the department may determine, but the department may require any additional proof of such compliance. Upon receipt of evidence of such compliance, the department may hold a hearing as to the suitability of the proposed location. The provisions of this subdivision shall not apply to applications for airline permits, charitable organization permits, temporary permits, special club permits, concession permits, military permits, railroad permits, boat permits, warehouse permits, brokers' permits, out-of-state shippers' permits for alcoholic liquor and out-of-state shippers' permits for beer, coliseum permits, coliseum concession permits, special sporting facility restaurant permits, special sporting facility employee recreational permits, special sporting facility guest permits, special sporting facility concession permits, special sporting facility bar permits, nonprofit golf tournament permits, nonprofit public television permits and renewals. The provisions of this subdivision regarding publication and placard display shall also be required of any applicant who seeks to amend the type of entertainment upon filing of a renewal application.

(4) In any case in which a permit has been issued to a partnership, if one or more of the partners dies or retires, the remaining partner or partners need not file a new application for the unexpired portion of the current permit, and no additional fee for such unexpired portion shall be required. Notice of any such change shall be given to the department and the permit shall be endorsed to show correct ownership. When any partnership changes by reason of the addition of one or more persons, a new application with new fees shall be required.

LCO No. 1795 **4** of 7

(c) Any ten persons who are at least eighteen years of age [,] and are residents of the town within which the business for which the permit or renewal thereof has been applied for, is intended to be operated, or, in the case of a manufacturer's or a wholesaler's permit, any ten persons who are at least eighteen years of age and are residents of the state, may file with the department, [within] not later than three weeks [from] after the last date of publication of notice made pursuant to subparagraph (A) of subdivision (3) of subsection (b) of this section for an initial permit, and in the case of renewal of an existing permit, at least twenty-one days before the renewal date of such permit, a remonstrance containing any objection to the suitability of such applicant or proposed place of business. Upon the filing of such remonstrance, the department, upon written application, shall hold a hearing and shall give such notice as it deems reasonable of the time and place at least five days before such hearing is [had] held. The remonstrants shall designate one or more agents for service, who shall serve as the recipient or recipients of all notices issued by the department. At any time prior to the issuance of a decision by the department, a remonstrance may be withdrawn by the remonstrants or by such agent or agents acting on behalf of such remonstrants and the department may cancel the hearing or withdraw the case. The decision of the department on such application shall be final with respect to the remonstrance.

112

113

114

115

116

117

118

119

120

121

122

123

124

125

126

127

128

129

130

131

132

133

134

- (d) (1) No new permit shall be issued until the [foregoing] provisions of [subsections (a) and] subsection (b) of this section have been complied with.
- 138 (2) No restaurant permit, cafe permit or tavern permit shall be 139 renewed unless a certificate of insurance for the coverage required 140 under subparagraph (D) of subdivision (1) of subsection (b) of this 141 section has been submitted with the application for renewal of such 142 permit.
- 143 (3) Six months' or seasonal permits may be renewed, provided the

LCO No. 1795 **5** of 7

renewal application and fee shall be filed at least twenty-one days before the reopening of the business, there is no change in the permittee, ownership or type of permit, and the permittee or backer did not receive a rebate of the permit fee with respect to the permit issued for the previous year.

[(e)] (4) The department may renew a permit that has expired if the applicant pays to the department a nonrefundable late fee pursuant to subsection (c) of section 21a-4, which fee shall be in addition to the fees prescribed in this chapter for the permit applied for, except that for a restaurant permit, cafe permit or tavern permit that has expired, the applicant shall also submit a certificate of insurance for the coverage required under subparagraph (D) of subdivision (1) of subsection (b) of this section. The provisions of this subsection shall not apply to one-day permits, to any permit which is the subject of administrative or court proceedings, or where otherwise provided by law.

(e) A restaurant permittee, cafe permittee or tavern permittee whose liquor liability insurance policy has been cancelled or nonrenewed shall notify the department immediately upon such cancellation or nonrenewal and shall take immediate action to procure a new insurance policy providing the coverage required under subparagraph (D) of subdivision (1) of subsection (b) of this section. Upon procuring such policy, the permittee shall submit a new certificate of insurance to the department.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2016, and applicable to applications for a liquor permit or a renewal of such a permit submitted on or after said date	30-39

LCO No. 1795 **6** of 7

## Statement of Purpose:

To require applicants for a restaurant permit, cafe permit or tavern permit or renewal of such permit to procure and maintain liquor liability insurance coverage and to submit a certificate of insurance for such coverage to the Department of Consumer Protection.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

LCO No. 1795 **7** of 7